



General Assembly

Substitute Bill No. 502

February Session, 2004

* SB00502CE_FIN031104 *

**AN ACT CREATING A SALES TAX EXEMPTION FOR FUEL CELLS
AND ALL HYDROGEN AND HYDROCARBON FUEL UTILIZING
MACHINERY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (113) of section 12-412 of the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective*
3 *from passage*):

4 (113) (A) [Sales] The sale of fuel cells and all other machinery that
5 creates hydrogen or exclusively utilizes hydrogen or hydrocarbon fuel
6 in any noncombustive electro-chemical process and all service
7 contracts and replacement parts for such machinery, and sales to, and
8 the storage, use or other consumption by, a fuel cell manufacturing
9 facility in this state of materials, tools, fuel, machinery and equipment
10 used in such facility.

11 (B) For purposes of this subdivision, (i) "fuel cell" means a device
12 that directly or indirectly produces electricity directly from hydrogen
13 or hydrocarbon fuel through a noncombustive electro-chemical
14 process, (ii) "machinery and equipment" means tangible personal
15 property which is installed in a fuel cell manufacturing facility
16 operated by a fuel cell manufacturer, and the predominant use of
17 which is for the manufacturing of fuel cells, and (iii) "fuel cell
18 manufacturing facility" means that portion of a plant, building or other

19 real property improvement used for the manufacturing of fuel cell
20 parts or components or for the significant overhauling or rebuilding of
21 such parts or components on a factory basis.

22 Sec. 2. Subdivisions (67) to (69), inclusive, of section 12-412 of the
23 general statutes are repealed and the following is substituted in lieu
24 thereof (*Effective from passage*):

25 (67) Sales of and the storage, use or other consumption, prior to July
26 1, [2004] 2005, of a new motor vehicle which is exclusively powered by
27 a clean alternative fuel. As used in this subdivision and subdivisions
28 (68) and (69) of this section, "clean alternative fuel" shall mean natural
29 gas, hydrogen or electricity when used as a motor vehicle fuel or
30 propane when used as a motor vehicle fuel if such a vehicle meets the
31 federal fleet emissions standards under the federal Clean Air Act or
32 any emissions standards adopted by the Commissioner of
33 Environmental Protection as part of the state's implementation plan
34 under said act.

35 (68) Sales of and the storage, use or other consumption, prior to July
36 1, [2004] 2005, of conversion equipment incorporated into or used in
37 converting vehicles powered by any other fuel to either exclusive use
38 of a clean alternative fuel or dual use of any other fuel and a clean
39 alternative fuel, including, but not limited to, storage cylinders,
40 cylinder brackets, regulated mixers, fill valves, pressure regulators,
41 solenoid valves, fuel gauges, electronic ignitions and alternative fuel
42 delivery lines.

43 (69) Sales of and the storage, use or other consumption, prior to July
44 1, [2004] 2005, of equipment incorporated into or used in a compressed
45 natural gas or hydrogen filling or electric recharging station for
46 vehicles powered by a clean alternative fuel, including, but not limited
47 to, compressors, storage cylinders, associated framing, tubing and
48 fittings, valves, fuel poles and fuel delivery lines used for clean
49 alternative fuel storage and filling facilities.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>

CE*Joint Favorable Subst. C/R*

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